

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

GOVERNANCE COMMITTEE CHARTER

I. Introduction

The Ventura County Employees' Retirement Association (VCERA) Board of Retirement has established the Governance Committee to execute their fiduciary duties and decision-making responsibilities in the context of a policy-driven Board as opposed to an administrative one. Governance in this context defines roles, relationships, policies, and decision-making authority of and between VCERA Trustees and its staff.

For purposes of this Committee, its charter and Board administration, the main tenets and guiding principles behind a policy-driven Board are as follows:

- Board decisions should generally be policy-driven in nature.
- The Board should define the desired outcome, not the means to achieve the outcome.
- The Board's relationship with senior management should be empowering yet verifying (i.e. delegate authority to perform administrative and management tasks, but employ monitoring and reporting to check results; "noses in, fingers out" approach).
- The Board has a fiduciary duty to regularly monitor actual outcomes of staff's authority and its results.

II. Committee Formation

The Governance Committee shall consist of 3 members and serve their terms at the appointment and pleasure of the VCERA Board Chair. Each year, the Chair may re-appoint any existing member or choose new members. The Chair may, but need not, appoint himself or herself to the Committee. There shall be no limit on the consecutive number of annual terms a member may serve.

III. Operations & Duties

Committee Operation

1) The Governance Committee shall operate as follows:

- a) The presence of a majority of Committee members shall constitute a quorum for a meeting.
- b) All actions and/or recommendations of the Committee shall be by affirmative vote of the majority of the members present at a meeting of the Committee, and only if a quorum is present.
- c) All actions of the Committee shall subsequently be approved by the Board to be effective, unless otherwise provided herein.

- d) The committee shall meet at least twice per year, but may meet as frequently as is deemed necessary by the Committee or Chair of the Committee, in consultation with the Retirement Administrator.
- e) Meetings of the Committee shall be open to the public and noticed and held in accordance with the Brown Act.
- f) The Committee shall keep minutes of its meetings.
- g) The Retirement Administrator shall serve as the staff contact for the Committee.
- h) All communications with VCERA's professional advisors regarding this Committee's activities shall occur through the Retirement Administrator or this Committee's Chair.
- i) The Chair of the Committee shall report on activities from each Committee meeting to the Board at its next regular meeting.

Committee Duties

The following are the responsibilities and duties of the Governance Committee:

- 1) Assist in the development or modification of policies that define staff's decision-making authority and financial limits, when applicable.
- 2) Assist in the development or modification of monitoring procedures and processes and how they are communicated (reported) back to the Board of Retirement and their regularity.
- 3) Assist in the development of new policies and procedures as needed.
- 4) Periodically (at least triennially), review current governance documents in place, including VCERA's Bylaws, Charters, and Policies. Review compliance and effectiveness, and recommend changes as appropriate.
- 5) Recommend the roles and responsibilities of the various committees of the Board and develop committee charters with input from the Board and VCERA staff to recommend to the Board.
- 6) Recommend changes in the structure of the Board meetings and the preparation of materials and records of Board actions for policy-driven governance and efficiency.
- 7) Assist in the development of organizational Strategic Planning.
- 8) Work with staff and VCERA's engaged professional advisors, including counsel, to assist the Board in its governance activities.
- 9) Perform any other governance-related duties that may be assigned by the Board.

IV. Review

The Board shall review this charter at least once every 3 years to ensure that it remains relevant and appropriate.

V. History

The Board approved this charter on February 24, 2025.